



CITY OF MORGAN HILL

**CITY COUNCIL
MORGAN HILL REDEVELOPMENT AGENCY**

COUNCIL CHAMBERS
17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS

Dennis Kennedy, Mayor
Greg Sellers, Mayor Pro Tempore
Hedy L. Chang, Council Member
Steve Tate, Council Member
Larry Carr, Council Member

REDEVELOPMENT AGENCY

Dennis Kennedy, Chair
Larry Carr, Vice-Chair
Hedy L. Chang, Agency Member
Steve Tate, Agency Member
Greg Sellers, Agency Member

WEDNESDAY, OCTOBER 17, 2001

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY SPECIAL MEETING

6:30 P.M.

*A Special Meeting is Called at 6:30 P.M. for the Purpose of
Conducting Closed Sessions.*

Dennis Kennedy, Mayor/Chairperson

6:30 P.M.

CALL TO ORDER

(Mayor/Chairperson Kennedy)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2
(City Clerk/Agency Secretary Torrez)

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - POTENTIAL AND EXISTING LITIGATION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Legal Authority: Government Code 54956.8 & 54956.9(a) & (c) (1 potential case)
Real Property(ies) involved: APN 728-31-007 & 008; 25.50 acres located on the southwesterly side of Cochrane Road (St. Louise Hospital property)
City Negotiators: Agency Members; Executive Director; Agency Counsel; F. Gale Conner, special counsel; Rutan & Tucker, special counsel
Case Name: San Jose Christian College v. City of Morgan Hill
Case Numbers: Santa Clara County Superior, No. CV 799179; USDC Northern California No. C01-20857 RMW
Closed Session Topic: Potential Existing Litigation/Real Estate Negotiations

2.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Legal Authority: Government Code Section 54965.9(a)
Case Name: Morgan Hill Unified School District v. Minter & Fahy
Case No.: Santa Clara County Superior Court, No. CV 772368
Attendees: City Council, City Manager, City Attorney

3.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant Exposure to Initiation of Litigation
Authority: Government Code Section 54956.9(b) & (c)
Number of Potential Cases: 5

4.

CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATOR

Legal Authority: Government Code 54956.8
Real Property Involved: 17.58 acre parcels located on the east side of Condit Road, bound by Condit Road, Tennant Avenue, Barrett Avenue and Murphy Avenue (APN 817-13-017)
Negotiating Parties:
 For City/Agency: City Manager/Executive Director; City Attorney/Agency Counsel; Director of Business Assistance & Housing Services
 For Property Owners: Virginia Lomanto Trustee
Closed Session Topic: Acquisition of Real Property

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION:

RECONVENE:

CLOSED SESSION ANNOUNCEMENT:

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

INTRODUCTIONS

Building Division

Kathy Schuler, Municipal Services Assistant

Business Assistance & Housing Services

Sheryll Bejarano, Office Assistant II

City Clerk's Office

Moira Malone, Office Assistant II

Danille Rice, Office Assistant I

Police Department

Raul Mancera, Police Cadet

PRESENTATION

Eagle Scout Presentation on Walking Tour of Historic Downtown Morgan Hill

Eagle Scout Joe Heath

Domestic Violence and Community Involvement

Captain Carey Sullivan

PROCLAMATION

Yellow Ribbon Suicide Awareness and Prevention Week

Amy McGeever, 9th grader at Britton

CITY COUNCIL REPORT

Council Member Carr

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND PRESENT IT TO THE CITY CLERK.

(See notice attached to the end of this agenda.)

PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK. THE CITY CLERK WILL FORWARD CORRESPONDENCE TO THE CITY COUNCIL/REDEVELOPMENT AGENCY.

CONSENT CALENDAR: The Consent Calendar, Agenda Items #1 through #10, and Agenda Items #11 through #12 may be acted upon with one motion, a second and the vote by each respective agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

City Council Action

Time Estimate	Page
Consent Calendar: 1 - 10 Minutes	
1) <u>SEPTEMBER 2001 FINANCE AND INVESTMENT REPORT</u>	1
<u>Recommended Action(s):</u> <u>Accept and File</u> Report.	
2) <u>PURCHASE OF RECYCLING CONTAINERS</u>	29
<u>Recommended Action(s):</u> <u>Appropriate</u> \$20,000 from the Fund Balance of Fund 232 for the Purchase of Additional Recycling Containers.	
3) <u>RECYCLING REWARDS CALENDAR</u>	31
<u>Recommended Action(s):</u>	
1. <u>Accept</u> Printing Bid for the Annual Recycling Rewards Calendar, and	
2. <u>Authorize</u> the City Manager to Issue a Purchase Order in the Amount of \$33,749 to Chase Printing.	
4) <u>APPROVE SAN JOSE BLUE AS SOLE SOURCE VENDOR FOR DIGITAL VAULT SERVICES FOR THE COMMUNITY CENTER PROJECT BID DOCUMENTS</u>	33
<u>Recommended Action(s):</u> <u>Approve</u> San Jose Blue as the Sole Source Vendor Providing "Digital Vault" Scanning and Printing Services for the Bid Documents on the Community Center Project.	
5) <u>APPROVAL OF SUBDIVISION IMPROVEMENT AGREEMENT WITH TONY & DOLORES GIANCOLA</u>	35
<u>Recommended Action(s):</u>	
1. <u>Approve</u> the Subdivision Improvement Agreement, and	
2. <u>Authorize</u> the City Manager to Sign the Agreement on Behalf of the City with Tony & Dolores Giancola.	
6) <u>EXTENSION OF CONTRACT FOR CONSULTANT PLANNING SERVICES</u>	47
<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Execute a Consultant Services Agreement for Contract Planning Services at a Cost Not to Exceed \$16,250.	
7) <u>APPOINTMENT OF A TWO-MEMBER COUNCIL SUBCOMMITTEE TO INTERVIEW APPLICANTS FOR THE DOWNTOWN DESIGN PLAN UPDATE TASK FORCE</u>	49
<u>Recommended Action(s):</u> <u>Approve</u> the Mayor's Appointment of Mayor Pro Tempore Sellers and Council Member Tate to Serve on the Subcommittee to Interview Applicants for the Downtown Design Plan Update Task Force.	

- 8) **CONTRACT FOR MANAGEMENT SERVICES FOR COMMUNITY CENTER AND PLAYHOUSE** 51
Recommended Action(s): Authorize the City Manager to Execute a Consultant Services Agreement for Contract Consultant Services at a Cost Not to Exceed \$36,638.
- 9) **APPROVE SPECIAL CITY COUNCIL MEETING MINUTES OF SEPTEMBER 24, 2001** 69

City Council and Redevelopment Agency Action

	Time Estimate		Page
	Consent Calendar: 1 - 10 Minutes		
10)		<u>APPROVE JOINT SPECIAL AND REGULAR REDEVELOPMENT AGENCY AND SPECIAL CITY COUNCIL MEETING MINUTES OF SEPTEMBER 26, 2001</u>	73
11)		<u>APPROVE JOINT SPECIAL AND REGULAR CITY COUNCIL AND SPECIAL REDEVELOPMENT AGENCY MEETING MINUTES OF OCTOBER 3, 2001</u>	85

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
12)	20 minutes	<u>STATUS REPORT FROM SANTA CLARA VALLEY WATER DISTRICT ON RESOLVING SAN PEDRO PERCOLATION POND HIGH GROUNDWATER PROBLEM</u> Recommended Action(s): <u>Receive</u> Update Provided by Santa Clara Valley Water District Regarding the Requested Time Frame.	99
13)	5 minutes	<u>MORGAN HILL AQUATIC CENTER</u> Recommended Action(s): <u>Appropriate</u> \$10,000 from Unappropriated General Fund Reserves to Pay Start Up Costs for a "Morgan Hill Aquatic Center" Nonprofit Organization.	103
14)	5 minutes	<u>ACQUISITION OF FORMER ST. LOUISE HOSPITAL</u> Recommended Action(s): 1. <u>Approve</u> Negative Declaration; and 2. <u>Approve</u> an Increase in the Medical Service Department Budget to Cover the Cost of the Project Environmental Assessment.	105
15)	20 minutes	<u>STATUS REPORT ON THE IMPLEMENTATION OF THE BLUE RIBBON TASK FORCE'S (BRTF) RECOMMENDATIONS</u> Recommended Action(s): <u>Review</u> the Status Report and Consider Options for Accelerating or Further Supporting the Implementation Program.	111

16)	30 minutes	<u>RECESSIONS' EFFECTS ON THE CITY BUDGET</u>	115
		<u>Recommended Action(s):</u>	
		1. <u>Direct</u> Staff in All Operating Departments, Other Than Fire and Medical Services, to Reduce Expenditures to a Target Level 5% Below the Budget & to Minimize Adverse Effects on Services;	
		2. Of \$630,000 in Unanticipated Available General Fund fund Balance, <u>Approve</u> Using \$448,000 to Finance the 2001/02 Budget and Approve Adding the Remaining \$182,000 to the General Fund Reserve Designated for Economic Uncertainty; and	
		3. <u>Discuss</u> the Need for Potential New Revenue Sources and Discuss Efforts to Attract New Businesses.	

Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
17)	25 minutes	<u>COMMUNITY PLAYHOUSE</u>	131
		<u>Recommended Action(s):</u>	
		1. <u>Approve</u> the Final Schematic Design for the Community Playhouse;	
		2. <u>Appropriate</u> an Additional \$400,000 from the Redevelopment Agency's 317 Fund Balance for a Total Project Budget of \$2,300,000; and	
		3. <u>Direct</u> Staff to Proceed with the Design Development and Construction Drawings Phases of the Project.	

FUTURE COUNCIL-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

ADJOURNMENT